# DOCKET: OIL CONSERVATION DIVISION HEARINGS - Thursday, December 5, 2024

9:00 a.m. - 1220 South St. Francis, Santa Fe, New Mexico 87505 and via MS Teams (login information below)

## Virtual Attendance:

Click <u>HERE</u> to join the meeting.

Dial-In:(505) 312-4308

Phone conference ID: 816 592 247#

Applications for hearing shall be filed at least thirty (30) days in advance of the hearing date. Presenting parties are required to submit a pre-hearing statement no later than the Thursday before the hearing. The pre-hearing statement shall include: 1) a list of disputed facts and issues; 2) identification of witnesses and their qualifications; and 3) all exhibits and written testimony a party intends to enter into evidence at the hearing and a full narrative for each.

NOTICE: The hearing examiner may call the following cases in any order at their discretion.

	Case Number	Description
1.	24366	Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E2 of Section 16, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in this horizontal well spacing unit. Said unit will be initially dedicated to the proposed Cimarron State Com 1143H and Cimarron State Com 1243H "u-turn" wells to be horizontally drilled from a surface location in the NE4 of Section 16, with first take points in the NE4NE4 (Unit A) of Section 16 and last take points in the NW4NE4 (Unit B) of Section 16. This proposed horizontal well spacing unit will overlap the following existing spacing units in the Bone Spring formation:  • A 160-acre horizontal well spacing unit comprised of the W2E2 of Section 16 currently dedicated to the Cimarron 16 19S 34E RN State Com 133H (30-025-42979) operated by Matador Production Company in a different interval of the Bone Spring formation and assigned to the Quail Ridge; Bone Spring Pool (50460); and  • A 160-acre horizontal well spacing unit comprised of the E2E2 of Section 16 currently dedicated to the Cimarron 16 19S 34E RN State Com 134H (30-025-42352) operated by Matador Production Company in a different interval of the Bone Spring formation and assigned to the Quail Ridge; Bone Spring Pool (50460).  Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the wells, and a 200% charge for risk involved in drilling said wells. The subject area is located approximately 17 miles northwest of Monument, New Mexico.
2.	24943	Application of MRC Permian Company for compulsory pooling and approval of overlapping well units, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2 of Section 28 Township 23 South, Range 29 East, NMPM. MRC seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed Anderson Laing Fed. Well No. 129H, to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 28 to a bottom hole location in the SW/4SE/4 (Unit M) of Section 28. The well is a U-turn well; The E2/E/2 of the well will contain the south-north lateral, and the W/2E/2 will contain the north-south lateral. MRC also requests approval for the well unit requested herein to overlap the following wells: The Cypress 28 Federal #001H (30-015-37249), Cypress 28 Federal #002H (30-015-37331), Cypress 28 Federal #003H (30-015-38287, and Cypress 28 Federal #004H (30-015-39330). Also to be considered will be the cost of drilling, completing, testing and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well. The unit is located approximately involved in drilling, completing, testing and equipping the well. The unit is located approximately

		2-1/2 miles east-northeast of Harroun, New Mexico.
		Setting: Hearing by Affidavit
3.	24948	Application of BTA Oil Producers, LLC to Extend Time to Commence Drilling Operations, Lea County, New Mexico. BTA Oil Producers, LLC ("Applicant"), requests a one-year extension of time to commence drilling two of the wells authorized by Order R-23119. Order No. R-23119: pooled all uncommitted interests within the Ojo Chiso; Bone Spring, South pool (Code 97293) underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the S/2 of 3 and 4, Township 23 South, Range 34 East, Lea County, New Mexico ("Unit"); designated Applicant as operator of the Unit; and dedicated the Unit to the Bobwhite 22304 4-3 Fed Com #1H, Bobwhite 22304 4-3 Fed Com #2H, Bobwhite 22304 4-3 Fed Com #3H, Bobwhite 22304 4-3 Fed Com #4H, and Bobwhite 22304 4-3 Fed Com #5H wells ("Wells"). The Order requires Applicant to commence drilling the Wells within one year of the date of the Order. Applicant requests that the Division extend the deadline to commence drilling the Bobwhite 22304 4-3 Fed Com #4H and Bobwhite 22304 4-3 #5H wells until March 27, 2026, due to a limitation on sour gas takeaway. The Wells are located approximately 20 miles west-southwest of Eunice, New Mexico.  Setting: Hearing by Affidavit
4.	24949	Application of COG Operating LLC for Compulsory Pooling and Approval of Non-Standard Spacing Unit, Lea County, New Mexico. COG Operating LLC ("Applicant") seeks an order: (1) establishing a 1,268.12-acre, more or less, non-standard horizontal spacing unit comprised of all of irregular Sections 6 and 7, Township 24 South, Range 33 East, Lea County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Wolfcamp formation underlying the Unit. Applicant seeks to dedicate the Unit to the following proposed wells ("Wells"): Macho Nacho State Com 602H, which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 7 to a bottom hole location in Lot 1 (NE/4 NE/4 equivalent) of Section 6; Macho Nacho State Com 604H, which will be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 7 to a bottom hole location in Lot 2 (NW/4 NE/4 equivalent) of Section 6; Macho Nacho State Com 606H, which will be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 7 to a bottom hole location in Lot 3 (NE/4 NW/4 equivalent) of Section 6; and Macho Nacho State Com 608H, which will be drilled from a surface hole location in Lot 4 (SW/4 SW/4 equivalent) of Section 7 to a bottom hole location in Lot 4 (NW/4 NW/4 equivalent) of Section 6. The completed intervals of the Wells will be orthodox. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 25 miles northwest of Jal, New Mexico.  Setting: Hearing by Affidavit
5.	24950	Application of Permian Resources Operating, LLC to Extend Time to Commence Drilling Operations, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant"), requests a one-year extension of time to commence drilling the wells authorized by Order No. R-22959. Order No. R-22959: pooled all uncommitted interests within the Winchester; Wolfcamp (Gas) pool (Code 87760) underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Sections 27 and 28, Township 19 South, Range 28 East, Eddy County, New Mexico ("Unit"); designated Applicant as operator of the Unit; and dedicated the Unit to the Big Burro 27 State Com #203H and Big Burro 27 State Com #204H wells ("Wells"). The Order requires Applicant to commence drilling the Wells within one year of the date of the Order. Applicant requests that the Division extend the deadline to commence drilling the Wells until November 15, 2025 due to the need to adjust rig scheduling to accommodate lease drilling obligations in this area. The Wells are located approximately 12 miles north of Carlsbad, New Mexico.
6.	24957	Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation underlying an 800-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Sections 9 and 16, and the NE/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"):

Star Fox 9 Fed Com 123H well, which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 21 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 9; and Star Fox 9 Fed Com 124H well, which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 21 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 9. The completed intervals of the Wells are expected to be orthodox. The completed interval of the Star Fox 9 Fed Com 124H well will be located within 330' of the quarter-quarter section line separating the E/2 E/2 and W/2 E/2 of Sections 9, 16, and 21 to allow for the creation of an 800-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 10 miles south of Loco Hills, New Mexico.

Setting: Hearing by Affidavit

#### 7. 24958

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation, underlying an 800-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 9 and 16, and the NW/4 of Section 21, Township 19 South, Range 30 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): Star Fox 9 Fed Com 121H well, which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 21 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 9; and Star Fox 9 Fed Com 122H well, which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 21 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 9. The completed intervals of the Wells are expected to be orthodox. The completed interval of the Star Fox 9 Fed Com 122H well will be located within 330' of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 9, 16, and 21 to allow for the creation of an 800-acre standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Wells and the allocation of the cost, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Wells are located approximately 10 miles south of Loco Hills, New Mexico.

Setting: Hearing by Affidavit

### 8. 24959

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 N/2 of Sections 24 and 23, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bondi 24 Fed Com 121H well ("Well"), which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 24 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 23. The completed interval of the Well will be orthodox. Due to a depth severance in the Bone Spring Formation, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 7,624' MD as observed on the Government AA #1 well log (API No. 30-015-21286). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.5 miles northeast of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

## 9. 24960

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 N/2 of Sections 24 and 23, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bondi 24 Fed Com 122H well ("Well"), which will be drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 24 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 23. The completed interval of the Well will be orthodox. Due to a depth severance in the Bone Spring Formation, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the

base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 7,624' MD as observed on the Government AA #1 well log (API No. 30-015-21286). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.5 miles northeast of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

## 10. 24961

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico, Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 S/2 of Sections 24 and 23. Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bondi 24 Fed Com 123H well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 24 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 23. The completed interval of the Well will be orthodox. Due to a depth severance in the Bone Spring Formation within the Unit, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 7,624' MD as observed on the Government AA #1 well log (API No. 30-015-21286). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.5 miles northeast of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

### 11. 24962

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") (OGRID No. 372165) applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the S/2 S/2 of Sections 24 and 23, Township 20 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bondi 24 Fed Com 124H well ("Well"), which will be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 24 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 23. The completed interval of the Well will be orthodox. Due to a depth severance in the Bone Spring Formation, Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 7,624' MD as observed on the Government AA #1 well log (API No. 30-015-21286). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10.5 miles northeast of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

### 12. 24963

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests the Bone Spring formation, from the top of the Bone Spring formation underlying a standard 633.57-acre, more or less, horizontal well spacing unit comprised of the S/2 of Section 12, Township 22 South, Range 26 East, and Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of irregular Section 7, Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Caveman 134H well, to be horizontally drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 8, T22S-R27E, with a first take point in the SE/4 SE/4 (Unit P) of irregular Section 7, T22S-R27E, and a last take point in the SW/4 SW/4 (Unit M) of Section 12, T22S-R26E. The completed interval of the Caveman 134H is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Applicant as operator of the well, and a 200% charge for risk involved in drilling said well. Portions of said area are located within the city limits of Carlsbad, New Mexico.

		Setting: Hearing by Affidavit
13.	24964	Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 400-acre, more or less, standard, overlapping horizontal spacing unit comprised of the N/2 NW/4 of Section 14 and the N/2 N/2 of Sections 15 and 16, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #121H well ("Well"), which will be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 14 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 16. The completed interval of the Well will be orthodox. Applicant seeks to pool interests in from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log. The Unit will partially overlap with the spacing unit for the Bonneville 16 State #301H (API No. 30-015-49816), Bonneville 16 State #302H (API No. 30-15-49806), and Bonneville 16 State #303H (API No. 30-015-49818) wells ("Bonneville Wells"). The Bonneville Wells are located in the N/2 of Section 16, Township 20 South, Range 27 East, and produce from the Avalon; Bone Spring, North Pool (Code 3712). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.
		Setting: Hearing by Affidavit
14.	24965	Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 400-acre, more or less, standard, overlapping horizontal spacing unit comprised of the S/2 NW/4 of Section 14 and the S/2 N/2 of Sections 15 and 16, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #122H well ("Well"), which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 14 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 16. The completed interval of the Well will be orthodox. Applicant seeks to pool interests in from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log. The Unit will partially overlap with the spacing unit for the Bonneville 16 State #301H (API No. 30-015-49816), Bonneville 16 State #302H (API No. 30-15-49806), and Bonneville 16 State #303H (API No. 30-015-49818) wells ("Bonneville Wells"). The Bonneville Wells are located in the N/2 of Section 16, Township 20 South, Range 27 East, and produce from the Avalon; Bone Spring, North Pool (Code 3712). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.
		Setting: Hearing by Affidavit
15.	24966	Application of Permian Resources Operating, LLC for Compulsory Pooling and Overlapping Spacing Unit, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 400-acre, more or less, standard, overlapping horizontal spacing unit comprised of the N/2 SW/4 of Section 14 and the N/2 S/2 of Sections 15 and 16, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #123H well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 16. The completed interval of the Well will be orthodox. Applicant seeks to pool interests in from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log. The Unit will partially overlap with the spacing unit for the Bonneville 16 State #204H (API No. 30-015-

53736), Bonneville 16 State #304H (API No. 30-15-53498), and Bonneville 16 State #305H (API No. 30-015-53499) wells ("Bonneville Wells"). The Bonneville Wells are located in the S/2 of Section 16, Township 20 South, Range 27 East, and produce from the Avalon; Bone Spring, North Pool (Code 3712) and Avalon; Bone Spring Pool (Code 96381). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

### 16. 24967

Application of Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 14 and the S/2 S/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #124H well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15. The completed interval of the Well will be orthodox. Applicant seeks to pool interests in from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

#### 17. 24968

Application of Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 NW/4 of Section 14 and the N/2 N/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #131H well ("Well"), which will be drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 14 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 15. The completed interval of the Well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

### 18. 24969

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 NW/4 of Section 14 and the S/2 N/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #132H well ("Well"), which will be drilled from a surface hole location in the SE/4 NW/4 (Unit F) of Section 14 to a bottom hole location in the SW/4 NW/4 (Unit E) of Section 15. The completed interval of the Well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

		Setting: Hearing by Affidavit
19.	24970	Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2 SW/4 of Section 14 and the N/2 S/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #133 well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 15. The completed interval of the Well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.  Setting: Hearing by Affidavit
20.	24971	Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests Third Bone Spring interval of the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SW/4 of Section 14 and the S/2 S/2 of Section 15, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Bonneville 14 Fed Com #134 well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 15. The completed interval of the Well will be orthodox. Applicant seeks to pool interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 6,990' TVD as shown on the Oxy Jet Deck Federal #1 (API No. 30-015-32610) well log to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.
21.	24972	Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order: (1) establishing a 240-acre, more or less, standard, horizontal spacing unit comprised of the N/2 SE/4 of Section 14 and the N/2 S/2 of Section 13, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying the Unit. The Unit will be dedicated to the Drum Set Fed Com 14-13 123H well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 13. The completed interval of the Well will be orthodox. Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 7,210' TVD as shown on the Oxy Hopsing Federal #2 (API No. 30-015-32032) well log. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well is located approximately 10 miles North of Carlsbad, New Mexico.
22.	24973	Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order: (1) establishing a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2 SE/4 of Section 14 and the S/2 S/2 of Section 13, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying the Unit. The Unit

will be dedicated to the Drum Set Fed Com 14-13 124H well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 13. The completed interval of the Well will be orthodox. Applicant seeks to pool uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval at a stratigraphic equivalent of approximately 7,210' TVD as shown on the Oxy Hopsing Federal #2 (API No. 30-015-32032) well log. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

#### 23. 24974

Application of Permian Resources Operating, LLC ("Applicant") applies for an order: (1) establishing a 240-acre, more or less, standard, horizontal spacing unit comprised of the N/2 SE/4 of Section 14 and the N/2 S/2 of Section 13, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying the Unit. The Unit will be dedicated to the Drum Set Fed Com 14-13 133H well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 13. The completed interval of the Well will be orthodox. Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 7,210' TVD as shown on the Oxy Hopsing Federal #2 (API No. 30-015-32032) well log to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

## 24. 24975

Application of Permian Resources Operating, LLC ("Applicant") applies for an order: (1) establishing a 240-acre, more or less, standard, horizontal spacing unit comprised of the S/2 SE/4 of Section 14 and the S/2 S/2 of Section 13, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"); and (2) pooling all uncommitted interests in the Third Bone Spring interval of the Bone Spring formation underlying the Unit. The Unit will be dedicated to the Drum Set Fed Com 14-13 134H well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 13. The completed interval of the Well will be orthodox. Applicant seeks to pool uncommitted interests from the top of the Third Bone Spring interval at a stratigraphic equivalent of approximately 7,210' TVD as shown on the Oxy Hopsing Federal #2 (API No. 30-015-32032) well log to the base of the Bone Spring formation. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

Setting: Hearing by Affidavit

## 25. 24976

Application of Permian Resources Operating, LLC for Compulsory Pooling, Eddy County, New Mexico. Permian Resources Operating, LLC ("Applicant") applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the SE/4 of Section 14 and the S/2 of Section 13, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Drum Set Fed Com 14-13 204H well ("Well"), which will be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 14 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 13. The completed interval of the Well will be orthodox. The completed interval of the Well will be located within 330' of the quarter-quarter section line separating the N/2 S/2 and S/2 S/2 of Sections 13 and 14 to create a 480-acre, more or less, standard horizontal spacing unit. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 10 miles North of Carlsbad, New Mexico.

# Setting: Hearing by Affidavit 26. 24979 Application of Mewbourne Oil Company for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Mewbourne Oil Company ("Applicant") (OGRID No. 14744) applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 959.81-acre, more or less, standard, overlapping horizontal spacing unit comprised of the W/2 of Sections 27 and 34, Township 23 South, Range 28 East, and the W/2 of Section 3, Township 24 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the following wells ("Wells"): Yardbirds 27/3 Fee 711H, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27. Township 23 South, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 3, Township 24 South; and Yardbirds 27/3 Fee 713H, which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27. Township 23 South, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 3, Township 24 South. The completed intervals of the Wells will be orthodox. The Unit will partially overlap with the proposed spacing unit for the Yardbirds 27/3 Fee 715H (API No. pending) well, which will be located in Sections 27 and 34, Township 23 South, Range 28 East, and Section 3, Township 24 South, Range 28 East, and will produce from the Purple Sage, Wolfcamp (Gas) pool (Code 98220). Also to be considered will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells. The Well is located approximately one mile east of Loving, New Mexico. Setting: Hearing by Affidavit 27. 24980 Application of Mewbourne Oil Company for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Mewbourne Oil Company ("Applicant") (OGRID No. 14744) applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 1,920.06-acre, more or less, standard, overlapping horizontal spacing unit comprised of all of Sections 27 and 34, Township 23 South, Range 28 East, and all of Section 3, Township 24 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Yardbirds 27/3 Fee 715H well ("Well"), which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27, Township 23 South, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 3, Township 24 South. The completed interval of the Well will be orthodox. The completed interval of the Well will be located within 330' of the line separating the E/2 and W/2 Sections 27 and 34, Township 23 South, Range 28 East, and Section 3, Township 24 South, Range 28 East, to allow for the creation of a 1,920.06-acre, more or less, standard horizontal spacing unit. The Unit will partially overlap with the proposed spacing units for the following wells, which will produce from the Purple Sage, Wolfcamp (Gas) pool (Code 98220): Yardbirds 27/3 Fee 711H (API No. pending) and Yardbirds 27/3 Fee 713H (API No. pending), which will be located in the W/2 of Sections 27 and 34, Township 23 South, Range 28 East and the W/2 of Section 3, Township 24 South, Range 28 East; and the Yardbirds 27/3 Fee 716H (API No. pending), which will be located in the E/2 of Sections 27 and 34, Township 23 South, Range 28 East, and the E/2 of Section 3, Township 24 South, Range 28 East. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately one mile east of Loving, New Mexico. Setting: Hearing by Affidavit 28. 24981 Application of Mewbourne Oil Company for Compulsory Pooling and Overlapping Spacing Unit, Lea County, New Mexico. Mewbourne Oil Company ("Applicant") (OGRID No. 14744) applies for an order pooling all uncommitted interests in the Wolfcamp formation underlying a 960.25-acre, more or less, standard, overlapping horizontal spacing unit comprised of the E/2 of Sections 27 and 34, Township 23 South, Range 28 East, and the E/2 of Section 3, Township 24 South, Range 28 East, Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Yardbirds 27/3 Fee 716H well ("Well"), which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 27, Township 23 South, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 3, Township 24 South. The completed interval of the Well will be orthodox. The Unit will partially overlap with the proposed spacing unit for the Yardbirds 27/3 Fee 715H (API No. pending) well, which will be located in Sections 27 and 34. Township 23 South, Range 28 East, and Section 3, Township 24 South, Range 28 East, and will produce

from the Purple Sage, Wolfcamp (Gas) pool (Code 98220). Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately one mile east of Loving, New Mexico.

Setting: Hearing by Affidavit

### 29. 24982

Application of MRC Permian Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2 of Section 28 Township 23 South, Range 29 East, NMPM. MRC seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed Anderson Laing Fed. Well Nos. 209H and 229H, to be horizontally drilled from surface locations in the SE/4SE/4 (Unit P) of Section 28 to bottom hole locations in the SW/4SE/4 (Unit M) of Section 28. The wells are U-turn wells: The E2/E/2 of the unit will contain the south-north laterals, and the W/2E/2 will contain the north-south laterals. Also to be considered will be the cost of drilling, completing, testing and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the wells, and a 200% charge for the risk involved in drilling, completing, testing and equipping the wells. The unit is located approximately 2-1/2 miles east-northeast of Harroun, New Mexico.

Setting: Hearing by Affidavit

### 30. 24983

Application of OXY USA Inc. and Occidental Permian LTD. for a Closed Loop Gas Capture Injection Pilot Project, Eddy County, New Mexico. Applicant in the seeks an order authorizing it to engage in a closed loop gas capture injection pilot project in the Bone Spring formation within a 8,240-acre, more or less, project area consisting of the following acreage identified below in Eddy County, New Mexico:

Township 24 South, Range 29 East

Section 3: All

Section 6: W/2

Section 7: W/2 and SW/4

Section 8: W/2

Section 10: All

Section 15: All

Section 16: S/2

Section 17: NW/4 and S/2

Section 20: All

Section 21: All

Section 22: All

Section 23: All

Section 24: N/2 NW/4

Section 27: N/2 and N/2 S/2

Section 28: All

Section 29: All

Applicant proposes to occasionally inject produced gas from the Delaware Mountain Group, Bone Spring and Wolfcamp formations into the following producing wells to avoid temporary flaring of gas or the shut-in of producing wells during pipeline capacity constraints, mechanical difficulties, plant shutdowns, or other events impacting the ability to deliver gas into a pipeline:

- Morgan Fee Com #1H (API No. 30-015-39968);
- Cedar Canyon 23 #2H (API No. 30-015-41194);
- Cedar Canyon 29 Federal Com #3H (API No. 30-015-42993);
- Cedar Canyon 27 Federal #6H (API No. 30-015-43232);
- Cedar Canyon 28 Federal #6H (API No. 30-015-43234);
- Cedar Canyon 28 Federal #7H (API No. 30-015-43238);
- Cedar Canyon 23 Federal #5H (API No. 30-015-43282);
- Cedar Canyon 22 Federal Com #4H (API No. 30-015-43708);
- Cedar Canyon 21 Federal Com #5H (API No. 30-015-43749);
- Cedar Canyon 27 Federal Com #5H (API No. 30-015-43775);
- Cedar Canyon 21 Federal Com #21H (API No. 30-015-44181);

- Cedar Canyon 21 Federal Com #22H (API No. 30-015-44190);
- Cedar Canyon 29 Federal Com #25H (API No. 30-015-44522);
- Cedar Canyon 29 Federal #26H (API No. 30-015-44523);
- Salt Ridge CC 20 17 Federal Com #21H (API No. 30-015-44945);
- Length CC 6 7 Federal Com #23H (API No. 30-015-45551);
- Tails CC 10 3 Federal Com #22H (API No. 30-015-47957); and
- Vagabond CC 8 17 Federal Com #23H (API No. 30-015-47975).

Applicant seeks authority to inject produced gas into the Second Bone Spring interval of the Bone Spring formation along the horizontal portion of each wellbore at surface injection pressures of no more than 1,335 psi and a maximum injection rate of 5 MMSCF/day. The subject acreage is located approximately 8 miles southeast of Loving, New Mexico.

Setting: Hearing by Affidavit

### 31. 24985

Application of Texas Standard Operating NM LLC for approval of a unit agreement, Lea County, New Mexico: Applicant seeks approval of the Unit Agreement for the TXS Big Dog State Exploratory Unit Area, comprising 7360 acres, more or less, of state lands, described as follows:

Township 17 South, Range 35 East, NMPM

Section 32: SE/4

Section 33: W/2 and SE/4

Township 18 South, Range 35 East, NMPM

Sections 4-6: Sections 7-10: All Sections 15-17: All Section 18: NE/4

Section 21: NE/4

The proposed unit area is centered approximately 21 miles southwest of Lovington, New Mexico.

Setting: Hearing by Affidavit

### **32. 24986**

Application of Avant Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 of Sections 24 and 25, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Strong Tusk 25 Fed Com #008H well with a proposed surface hole location in the SW/4SE/4 (Unit O) of Section 25, and proposed last take points in the NW/4NE/4 (Unit B) of Section 24; and Strong Tusk 25 Fed Com #009H and Strong Tusk 25 Fed Com #723H wells with proposed surface hole locations in the SW/4SE/4 (Unit O) of Section 25, and proposed last take points in the NE/4NE/4 (Unit A) of Section 24. The wells will be drilled at orthodox locations. The completed interval for the Strong Tusk 25 Fed Com #008H well is expected to be less than 330 feet from the adjoining tracts, thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.

Setting: Hearing by Affidavit

# 33. 24987

Application of Catamount Energy Partners, LLC, for Approval of a Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, San Juan and Rio Arriba Counties, New Mexico. Applicant in the above-styled cause seeks an order (a) creating a 1440-acre, more or less, non-standard horizontal well spacing unit in the Mancos formation [Basin Mancos (Gas) Pool (97232)] underlying the N2 and the N2S2 of Sections 13, 14 and 15, Township 32 North, Range 6 West, NMPM, San Juan and Rio Arriba Counties, New Mexico,

and (b) pooling the uncommitted mineral owners in this proposed non-standard horizontal well spacing unit. Applicant seeks to initially dedicate the above-referenced spacing unit to the following proposed wells:

? NLS 32-6-15 3H and NLS 32-6-15 4H wells to be drilled from a surface location in the NE4 of Section 16, with first take points in the SW4NW4 (Unit E) of Section 15 and last take points in the SE4NE4 (Unit H) of Section 13; and

? NLS 32-6-15 5H well to be drilled from a surface location in the NE4 of Section 16, with a first take point in the NW4SW4 (Unit L) of Section 15 and a last take point in the NE4SE4 (Unit I) of Section 13.

Also, to be considered will be the necessity of the non-standard spacing unit, the cost of drilling and completing the proposed wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and the imposition of 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 19 miles northeast of the town of Navajo Dam, New Mexico.

Setting: Hearing by Affidavit

### 34. 24988

Application of Avant Operating, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted interests within a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 of Sections 24 and 25, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Strong Tusk 25 Fed Com #721H and Strong Tusk 25 Fed Com #005H wells with proposed surface hole locations in the SW/4SW/4 (Unit M) of Section 25, and proposed last take points in the NW/4NW/4 (Unit D) of Section 24; and Strong Tusk 25 Fed Com #722H and Strong Tusk 25 Fed Com #006H wells with proposed surface hole locations in the SW/4SW/4 (Unit M) of Section 25, and proposed last take points in the NE/4NW/4 (Unit C) of Section 24. The wells will be drilled at orthodox locations. The completed interval for the Strong Tusk 25 Fed Com #721H well is expected to be less than 330 feet from the adjoining tracts. thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Avant Operating, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 24 miles west of Hobbs, New Mexico.

Setting: Hearing by Affidavit

## 35. 24991

Application of XTO Permian Operating, LLC for Approving a Non-Standard Horizontal Spacing Unit and, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division: (1) approving a 2,080.66-acre, more or less, non-standard horizontal spacing and proration unit composed of all of Sections 2, 11, 14, and the N/2 S/2 of Section 23, Township 24 South, Range 30 East, N.M.P.M.. The proposed wells to be dedicated to the horizontal spacing unit are the: Poker Lake Unit 23 DTD Fed State Com #122H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2; Poker Lake Unit 23 DTD Fed State Com #171H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M) of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 4 (Unit D) of Section 2; Poker Lake Unit 23 DTD Fed State Com #172H, which is an oil well that will be horizontally drilled from a surface location in the SW/4SW/4 (Unit M)of Section 14 to a bottom hole location in the Bone Spring Formation in Lot 3 (Unit C) of Section 2; Poker Lake Unit 23 DTD Fed State Com #107H, which is an oil well that will be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 14 to a bottomhole location in the Bone Spring Formation in Lot 1 (Unit A) of Section 2; and Poker Lake Unit23 DTD Fed State Com #157H, which is an oil well that will be horizontally drilled from a surface location in the NE/4NW/4 (Unit C) of Section 23 to a bottom hole location in Bone Spring Formation in Lot 2 (Unit B) of Section 2. The wells are orthodox in location, and the take points and laterals comply with Statewide Rules for setbacks. The wells and lands are located approximately 26 miles southeast from Carlsbad, New Mexico.

Setting: Hearing by Affidavit